

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3402

ANSWERED ON:15.12.2005

CONSTRUCTION OF POWER PLANTS IN NIGERIA

Gaikwad Shri Eknath Mahadeo; Mane Smt. Nivedita; Singh Shri Kirti Vardhan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether ONGC-Mittal Energy Limited is planning to invest 6 billion dollars for building power plants and refinery in Nigeria;
- (b) if so, the details thereof and the ratio of partnership for this project;
- (c) whether this joint venture will yield reciprocal return from Nigeria; and
- (d) if so, the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (d) : A Memorandum of Understanding (MoU) was signed on 23.7.2005 between ONGC Videsh Limited (OVL) and M/s. Mittal Steel Group, for E&P activities abroad. Subsequently, a joint venture company, viz. ONGC-Mittal Energy Limited (OMEL) has been incorporated in which OVL, Mittal Investments Sarl and SBI Caps have 49.98%, 48.02% and 2% participating interest, respectively, for pursuing hydrocarbon opportunities on exclusive basis in identified countries.

OMEL signed an MoU with the Ministry of Petroleum Resources of Nigeria in November 2005 which includes an offer from the Nigerian side to consider offering oil exploration blocks on a nomination basis; a certain quantity of oil on a term- contract basis; and LNG when the fields/infrastructure have been developed in Nigeria. In return, OMEL will consider participating in Nigeria's infrastructure development projects in the refinery, railways and power sectors. The details in regard to this 'economic package' are yet to be worked out.